



- Certainty for Project Investors
 - As the Department stated in its NOI, “the overriding purpose of section 638 is to facilitate the construction and full power operation of new advanced nuclear facilities by providing risk insurance for such projects.” This risk insurance is needed not only to reduce financial disincentives and uncertainties for project sponsors, but also for project lenders.
 - Accordingly, to achieve their purpose stand-by support contracts must be “bankable.” They must be clear and unambiguous, have efficient and effective dispute resolution, and need to be assignable to project lenders. To the degree practicable, clarification should be obtained through regulations that would facilitate implementation of Section 638.



- The Implementing Regulations Must Provide Objective Criteria for Entering Into and Determining the Effectiveness of Section 638 Contracts
 - Contract eligibility should be determined at the time of submitting a sufficient application for COL.
 - Queue status should be determined and fixed as of the date of pouring of safety-related concrete (in particular, pouring of the reactor vessel base mat).
 - Queue positions should roll to lower or non-queued sponsors if not utilized.



- Regulations should promote the benefits of diversity in reactor design
- Procedures to determine appropriations should be developed with proper industry input, and be informed by other government “insurance programs” that offer protection to investors (e.g. sovereign risk protection products). These procedures should allow for multi-year money, and be backed by the full faith and credit of the United States



- Contact coverage should be clearly defined to facilitate financing
 - Covered delays should be clearly defined and administered in a manner that avoids protracted litigation and further delay.
 - Exclusions should be clearly defined to provide certainty.
 - Covered costs should be inclusive rather than exclusive.